

AMENDED IN ASSEMBLY MAY 27, 2011

AMENDED IN ASSEMBLY MAY 10, 2011

AMENDED IN ASSEMBLY APRIL 12, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 591

Introduced by Assembly Member Wieckowski
(Principal coauthor: Assembly Member Dickinson)
(Coauthor: Assembly Member Allen)

February 16, 2011

An act to amend Sections ~~3107 and 3203~~ 3210, 3213, and 3215 of the Public Resources Code, relating to oil and gas production.

LEGISLATIVE COUNSEL'S DIGEST

AB 591, as amended, Wieckowski. Oil and gas production: hydraulic fracturing.

~~(1) Under~~

Under existing law, the Division of Oil, Gas, and Geothermal Resources in the Department of Conservation regulates the drilling, operation, maintenance, and abandonment of oil and gas wells in the state. The State Oil and Gas Supervisor supervises the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities related to oil and gas production within an oil and gas field regarding safety and environmental damage. Existing law requires ~~the district deputy to prepare maps regarding oil and gas production in each district and to collect information regarding the presence of oil and gas and the location and extent of strata bearing water or surface water suitable for irrigation or domestic purposes~~ *the owner or operator of a well to keep, or cause*

to be kept, a careful and accurate log, core record, and history of the drilling of the well. Within 60 days after the date of cessation of drilling, rework, or abandonment operations, the owner or operator is required to file with the district deputy certain information, including the history of work performed.

~~This bill would instead require the district deputy to collect information on the presence of oil and gas deposits and the location and extent of strata bearing water or surface water suitable for irrigation, domestic, industrial, or wildlife purposes that might be affected. The bill would also require the maps prepared by the district deputy to be posted, as specified, on the division's Internet Web site.~~

~~(2) Existing law requires the operator of a well, before commencing the work of drilling the well, to file with the supervisor or the district deputy a written notice of intention to commence drilling, and prohibits the commencement of drilling until approval is given by the supervisor or the district deputy. The existing Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) prohibits any person, in the course of doing business, from knowingly and intentionally exposing any individual to a chemical known to the state to cause cancer or reproductive toxicity without giving a specified warning, or from discharging or releasing such a chemical into any source of drinking water, except as specified.~~

~~This bill would revise that procedure to instead require the operator to file an application before commencing drilling and would require additional information to be included in the application, including information regarding the chemicals, if any, that the operator intends to bring onsite for purposes of injecting into the well. The bill would also require the operator, after drilling has commenced, to submit certain information to the supervisor, including a list of chemicals used, and would require the supervisor to post the information regarding the type of process and listed chemicals on the division's Internet Web site. The bill would require the operator to notify every property owner and occupant of property within one mile of a well if the listed chemicals includes a chemical known to cause cancer or reproductive toxicity pursuant to the list adopted in accordance with the Safe Drinking Water and Toxic Enforcement Act of 1986.~~

This bill would require a person carrying out hydraulic fracturing on behalf of an owner or operator at a well to provide to the owner or operator a list of the chemical constituents used in the hydraulic fracturing fluid. The bill would additionally require the history of the

drilling of the well to include certain information regarding the amount and source of water used in the exploration or production from the well and the radiological components or tracers injected into the well. The bill would also require the history to include, if hydraulic fracturing was used at the well, a complete list of the chemicals used in the hydraulic fracturing.

The bill would require the owner or operator to submit to the supervisor information regarding the chemicals used in hydraulic fracturing, who would be required to add this information to existing Internet maps on the division's Internet Web site and to make this information available to the public.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Hydraulic fracturing is a technique used in the production
- 4 of oil and gas that involves the pressurized injection of water and
- 5 a mix of ~~chemical~~ *chemicals* into an underground geologic
- 6 formation in order to fracture the formation, thereby causing or
- 7 enhancing the production of oil or gas from a well.
- 8 (b) Hydraulic fracturing has been used in California for several
- 9 decades to extract oil and gas and is likely to be used more
- 10 extensively as the industry seeks to develop additional ~~oil and gas~~
- 11 ~~oil-and-gas~~ bearing formations.
- 12 (c) The Division of Oil, Gas, and Geothermal Resources in the
- 13 Department of Conservation, which has the obligation to protect
- 14 public health and the resources of the state, including groundwater
- 15 resources, has the authority to regulate all oil and natural gas
- 16 drilling in the state, but currently does not require the disclosure
- 17 of pertinent information regarding hydraulic fracturing or ascertain
- 18 what specific types of production and exploration are taking place
- 19 at permitted wells.
- 20 (d) Given California's geologic, seismic complexity, and finite
- 21 and significantly compromised water resources, it is important to
- 22 collect basic information about natural resource production
- 23 processes. The state and the public should know when and where

1 hydraulic fracturing is occurring and what chemicals are being
2 used in the process.

3 ~~SEC. 2. Section 3107 of the Public Resources Code is amended~~
4 ~~to read:~~

5 ~~3107. (a) A district deputy in each district, designated by the~~
6 ~~supervisor, shall collect all necessary information regarding the~~
7 ~~oil and gas wells in the district, with a view to determining the~~
8 ~~presence of oil and gas deposits and the location and extent of~~
9 ~~strata bearing water or surface water suitable for irrigation,~~
10 ~~domestic, industrial, or wildlife purposes that might be affected.~~

11 ~~(b) The district deputy shall prepare maps and other accessories~~
12 ~~necessary to determine the presence of oil and gas deposits and~~
13 ~~the location and extent of strata bearing water or surface water~~
14 ~~suitable for irrigation, domestic, industrial, or wildlife purposes.~~
15 ~~The maps prepared by the district deputy pursuant to this section~~
16 ~~shall be posted on the division's Internet Web site, as a~~
17 ~~modification to any existing maps, and shall include the~~
18 ~~information obtained pursuant to subdivision (b) of Section 3203.~~

19 ~~(c) This work shall be done with the view to advising an operator~~
20 ~~as to the best means of protecting the oil and gas deposits and the~~
21 ~~water-bearing strata and surface water, and with a view to aiding~~
22 ~~the supervisor in ordering tests or repair work at wells. All data~~
23 ~~shall be kept on file in the office of the district deputy of the~~
24 ~~respective district.~~

25 ~~SEC. 3. Section 3203 of the Public Resources Code is amended~~
26 ~~to read:~~

27 ~~3203. (a) The operator of a well, before commencing the work~~
28 ~~of drilling the well, shall file with the supervisor or the district~~
29 ~~deputy an application to commence drilling. Drilling shall not~~
30 ~~commence until approval of the application is given by the~~
31 ~~supervisor or the district deputy. If the supervisor or the district~~
32 ~~deputy fails to give the operator a written response to the~~
33 ~~application within 10 working days from the date of receipt, that~~
34 ~~failure shall be considered as an approval of the application, and~~
35 ~~the application, for the purposes and intents of this chapter, shall~~
36 ~~be deemed a written report of the supervisor. If operations have~~
37 ~~not commenced within one year of receipt of the application, the~~
38 ~~application shall be deemed canceled. The application shall contain~~
39 ~~the pertinent data the supervisor requires on printed forms supplied~~
40 ~~by the division or on other forms acceptable to the supervisor. The~~

1 supervisor may require other pertinent information to supplement
2 the application:

3 (b) (1) On and after January 1, 2012, in addition to the pertinent
4 information required to be collected pursuant to subdivision (a),
5 the application shall include all of the following information:

6 (A) The type of exploration and production techniques that the
7 operator will use at the well or wells.

8 (B) A complete list of the chemicals, if any, that the operator
9 intends to bring onsite for purposes of injecting into the well for
10 hydraulic fracturing or other production enhancement methods in
11 the exploration or production process or processes.

12 (C) The location of any known active seismic faults within five
13 miles of the well.

14 (2) After drilling has commenced, the operator shall submit to
15 the supervisor all of the following information:

16 (A) A list of the chemicals that were injected into the well. This
17 list shall include all of the following information:

18 (i) The name of the chemical.

19 (ii) The purpose of the chemical in the production or exploration
20 process.

21 (iii) The Chemical Abstract Service numbers for the chemical.

22 (iv) The estimated total amount of the chemical used.

23 (v) The actual rate or concentration of each chemical used,
24 expressed as pounds per thousand gallons or gallons per thousand
25 gallons and expressed as a percentage by volume of the total
26 hydraulic fracturing fluid or other injected fluid used.

27 (B) The amount and source of water used in the exploration or
28 production from the well.

29 (C) Any radiological components or tracers injected into the
30 well and a description of the recovery method, if any, for those
31 components or tracers, the recovery rate, and disposal method for
32 recovered components or tracers.

33 (3) The supervisor shall post the type of process and list of
34 chemicals obtained pursuant to this subdivision on the division's
35 Internet Web site in such a way that it is accessible to the public.

36 (4) If any of the information required pursuant to this subdivision
37 changes over the course of the exploration and production process,
38 the operator shall immediately notify the supervisor.

39 (5) Notwithstanding any other law, if a chemical listed pursuant
40 to this subdivision is also listed as a chemical known to cause

~~1 cancer or reproductive toxicity pursuant to the list adopted in
2 accordance with Section 25249.8 of the Health and Safety Code;
3 the operator shall notify every property owner and occupant of
4 property within one mile of the well that this chemical is to be, or
5 has been, injected into the ground.~~

~~6 (e) After the completion of any well, this section also applies
7 as far as may be, to the deepening or redrilling of the well, an
8 operation involving the plugging of the well, or any operations
9 permanently altering in any manner the casing of the well. The
10 number or designation of a well, and the number or designation
11 specified for a well in an application filed as required by this
12 section, shall not be changed without first obtaining a written
13 consent of the supervisor.~~

~~14 (d) If an operator fails to comply with an order of the supervisor,
15 the supervisor may deny approval of proposed well operations
16 until the operator brings its existing well operations into
17 compliance with the order. If an operator fails to pay a civil penalty,
18 remedy a violation that it is required to remedy to the satisfaction
19 of the supervisor pursuant to an order issued under Section 3236.5,
20 or to pay any charges assessed under Article 7 (commencing with
21 Section 3400), the supervisor may deny approval to the operator's
22 proposed well operations until the operator pays the civil penalty,
23 remedies the violation to the satisfaction of the supervisor, or pays
24 the charges assessed under Article 7 (commencing with Section
25 3400).~~

*26 SEC. 2. Section 3210 of the Public Resources Code is amended
27 to read:*

*28 3210. (a) The owner or operator of any well shall keep, or
29 cause to be kept, a careful and accurate log, core record, and history
30 of the drilling of the well.*

*31 (b) A person carrying out hydraulic fracturing on behalf of an
32 owner or operator at a well shall provide to that owner or operator
33 a complete list of the chemical constituents used in the hydraulic
34 fracturing fluid and each chemical's associated chemical abstract
35 service (CAS) numbers, for the purposes of accurately and
36 completely maintaining the well's log, history, and core record,
37 and ensuring compliance with the disclosure requirements of this
38 article.*

*39 SEC. 3. Section 3213 of the Public Resources Code is amended
40 to read:*

1 3213. (a) The history of the drilling of the well shall show ~~the~~
2 *all of the following:*

3 (1) The location and amount of sidetracked casings, tools, or
4 other material, the depth and quantity of cement in cement plugs,
5 the shots of dynamite or other explosives, and the results of
6 production and other tests during drilling operations.

7 (2) The amount and source of water used in the exploration of
8 or production from the well, which shall be updated annually.

9 (3) Any radiological components or tracers injected into the
10 well and a description of the recovery method, if any, for those
11 components or tracers, the recovery rate, and the disposal method
12 for recovered components or tracers.

13 (b) If hydraulic fracturing was used at the well, the history of
14 the drilling of the well shall also include a complete list of the
15 chemicals used in the hydraulic fracturing. This list shall include
16 the names of all of the chemicals used and their chemical abstract
17 service (CAS) numbers.

18 SEC. 4. Section 3215 of the Public Resources Code is amended
19 to read:

20 3215. (a) Within 60 days after the date of cessation of drilling,
21 rework, or abandonment operations, or the date of suspension of
22 operations, the owner or operator shall file with the district deputy,
23 in the form approved by the supervisor, true copies of the log, core
24 record, and history of work performed, and, if made, true and
25 reproducible copies of all electrical, physical, or chemical logs,
26 tests, or surveys ~~in such form as the supervisor may approve shall~~
27 ~~be filed with the district deputy.~~ Upon a showing of hardship, the
28 supervisor may extend the time within which to comply with the
29 ~~provisions of this section~~ for a period not to exceed 60 additional
30 days.

31 (b) The owner or operator shall also submit to the supervisor
32 information provided in the history pursuant to paragraph (1) of
33 subdivision (b) of Section 3213 and the supervisor shall add this
34 information to existing Internet maps on the division's Internet
35 Web site, and make the information available to the public in such
36 a way that the list of chemicals is associated with each specific
37 well where those chemicals were injected.